



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Issued by the Department of Transportation  
on the 1<sup>st</sup> day of May, 2003

Essential Air Service at

**SCOTTSBLUFF, NEBRASKA**

Under 49 U.S.C. 41731 *et seq.*

**Served: May 6, 2003**

**DOCKET OST-2003-14535**

**ORDER PROHIBITING SUSPENSION OF SERVICE  
AND REQUESTING PROPOSALS**

**Summary**

By this order, the Department is prohibiting Great Lakes Aviation, Ltd. (Great Lakes), from suspending its unsubsidized service at Scottsbluff, Nebraska, and requesting proposals from carriers interested in providing replacement service at the community. (See Appendix A for map.)

**Background**

Scottsbluff is guaranteed to receive at least a minimum level of air service under the Essential Air Service (EAS) program by virtue of the fact that the community appeared on a certificated carrier's Civil Aeronautics Board-issued certificate on October 24, 1978, the date the Airline Deregulation Act of 1978 was signed into law. (See 49 U.S.C. 41731-41744 for the EAS program's governing statutes.) On February 19, 2003, Great Lakes filed a 90-day notice of its intent to suspend service at Scottsbluff, effective May 20, 2003.<sup>1</sup> Great Lakes is the only carrier providing scheduled air service at Scottsbluff, which consists of three daily nonstop round trips to Denver with 19-seat Beech 1900 aircraft.

For the year ended September 30, 2002, Scottsbluff generated a total of 17,361 O&D passengers, an average of 27.7 enplanements per day. This represents a significant decrease from the year ended September 30, 2001, when there were 23,958 O&D passengers, or an average of 38.3 enplanements per day.

**Decision**

Since Great Lakes is the only carrier providing scheduled air service at Scottsbluff, its proposed termination would eliminate all air service to the community. Thus, in accordance with 49

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<sup>1</sup> While Great Lakes' notice was dated February 17<sup>th</sup>, we did not receive it until February 19<sup>th</sup>.

U.S.C. 41734, we must prohibit Great Lakes from suspending service at Scottsbluff for an initial 30-day period beyond the end of the 90-day notice period, through June 20, 2003, or until suitable replacement service has been inaugurated at the community, whichever occurs first.<sup>2</sup>

### **Request for Proposals**

We request that carriers interested in providing essential air service at Scottsbluff file proposals within 20 days of the date of service date of this order. We ask that carriers submit proposals for two or three daily round trips to Denver, with 15-seat or larger, pressurized aircraft. We will also entertain proposals to serve other hubs that provide access to the national air transportation system in order to give the Department and the community as broad an array of proposals as possible from which to choose. Of course, as always, we will formally solicit the community's views on any service options we receive before making a long-term carrier selection decision. In order to assist carriers in making their traffic and revenue forecasts, we have included historical traffic data in Appendix B.

### **Procedures for Filing Proposals**

For interested carriers unfamiliar with our procedures and recommended forms for supplying the necessary information, we have prepared two explanatory documents that we will make available upon request. The first describes the process for handling carrier replacement cases under 49 U.S.C. 41734(f) and discusses in detail the process of requesting proposals, conducting reviews of applicants, and selecting a replacement carrier. The second is an evidence request containing an explanatory statement, a copy of Part 204 of our regulations (14 CFR 204), and schedules setting forth our recommended form for submitting data required for calculating compensation and determining the financial and operational ability of applicants to provide reliable essential air service. (Section 204.4 describes the fitness information required of all applicants for authority to provide essential air service.) Applicant carriers that have already submitted this information in another case need only resubmit it if a substantial change has occurred.

However, if there are more recent data or if there have been any changes to the information on file, carriers should provide updates of those information elements. Interested carriers that need to obtain copies of these documents may contact the Office of Aviation Analysis at (202) 366-1053.

### **Other Carrier Requirements**

The Department is responsible for implementing various Federal statutes governing lobbying activities, drug-free workplaces and nondiscrimination.<sup>3</sup> Consequently, all carriers receiving Federal subsidy to support essential air service must certify that they are in compliance with Department regulations regarding drug-free workplaces and nondiscrimination, and those

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<sup>2</sup> In accordance with 49 U.S.C. 41734(c), we will extend Great Lakes' service obligation for successive 30-day periods as necessary until replacement service actually begins.

<sup>3</sup> The regulations applicable to these areas are: (1) 49 CFR Part 20 – New restrictions on lobbying; (2) 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation – Effectuation of title VI of the Civil Rights Act of 1964; 49 CFR Part 27 – Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from Federal financial assistance; and 14 CFR Part 382 – Nondiscrimination on the basis of disability in air travel; and (3) 49 CFR Part 29 – Government-wide debarment and suspension (non-procurement) and government-wide requirements for drug-free workplace (grants).

carriers whose subsidies exceed \$100,000 over the life of the rate term must also certify that they are in compliance with the regulations governing lobbying activities. All carriers that plan to submit proposals involving subsidy should submit the required certifications along with their proposals. Interested carriers requiring more detailed information regarding these requirements, as well as copies of the certifications, should contact the Office of Aviation Analysis at (202) 366-1053. The Department is prohibited from paying subsidy to carriers that do not submit these documents.

If we receive competing proposals, the community and state are welcome to submit comments on the proposals at any time. Early in the proceeding, comments on the proposals' strengths and weaknesses would be particularly helpful, and the civic parties may also express a preference for a particular carrier, if they choose. In any event, after conducting rate conferences with all applicants, we will provide a summary of the conference results to the civic parties and ask them to file their final comments.<sup>4</sup>

This order is issued under authority delegated in 49 CFR 1.56a(f).

#### **ACCORDINGLY,**

1. The Department requests that carriers interested in providing essential air service at Scottsbluff submit their proposals, with subsidy if necessary, within 20 days after the date of service of this order. Proposals should include all the data required by section 204.4 of the Department's Regulations (14 CFR 204.4). An original and five copies of the proposal should be sent to: EAS & Domestic Analysis Division, X-53, Office of Aviation Analysis, Room 6401, Department of Transportation, 400 7th Street, S.W., Washington, D.C. 20590, with the title "Proposal to Provide Essential Air Service at Scottsbluff, Nebraska, Docket OST-2003-14535";
2. The Department prohibits Great Lakes Aviation, Ltd., from suspending service at Scottsbluff, Nebraska, at the end of its 90-day notice period and requires it to maintain three nonstop round trips a day between Scottsbluff and Denver International Airport, through June 20, 2003, or until a carrier capable of providing reliable essential air service actually begins service, whichever occurs first;
3. The Department directs Great Lakes to retain all books, records, and other source and summary documents to support subsidy claims for payment and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the records may be destroyed. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order;
4. Docket OST-2003-14535 will remain open until further order of the Department; and

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<sup>4</sup> In cases where a carrier proposes to provide essential air service without subsidy and we determine that service can be provided reliably without such compensation, we do not normally hold rate conferences. Instead, we rely on the carrier's subsidy-free service as proposed.

5. The Department will serve a copy of this order on the Mayor and Airport Manager of Scottsbluff, Great Lakes Aviation, Ltd., the State of Nebraska and the parties listed in Appendix C.

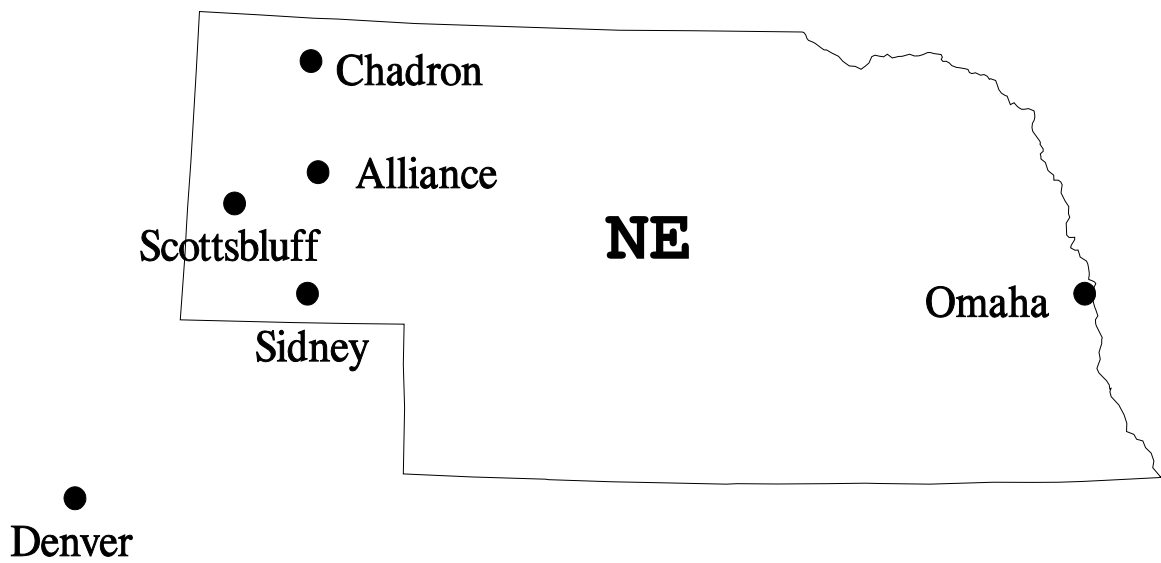
By:

**READ C. VAN de WATER**  
Assistant Secretary for Aviation  
and International Affairs

(SEAL)

*An electronic version of this document is available on the World Wide Web at  
<http://dms.dot.gov>*

SCOTTSBLUFF, NEBRASKA  
AND SURROUNDING COMMUNITIES



## Historical Origin-Destination Traffic and Average Daily Enplanements at Scottsbluff, Nebraska<sup>1</sup>

<u>YE 9/30/02</u>	<u>O&amp;D Traffic</u>	<u>Daily Average Enplanements<sup>2</sup></u>
4Q01	4,414	27.9
1Q02	4,152	27.0
2Q02	4,731	30.3
3Q02	<u>4,064</u>	<u>25.7</u>
<b>TOTAL:</b>	<b>17,361</b>	<b>27.7</b>

<u>YE 9/30/01</u>	<u>O&amp;D Traffic</u>	<u>Daily Average Enplanements<sup>2</sup></u>
4Q00	7,204	46.2
1Q01	5,439	34.9
2Q01	6,224	39.9
3Q01	<u>5,091</u>	<u>32.6</u>
<b>TOTAL:</b>	<b>23,958</b>	<b>38.3</b>

<sup>1</sup> Source: Airport Activity Statistics; Form 298-C, Schedule T-1.

<sup>2</sup> Daily averages are based on 313 annual service days.

SERVICE LIST FOR THE STATE OF NEBRASKA

Air Casino, Inc.  
Air Midwest, Inc.  
Air Wisconsin, Inc.  
Amerijet International, Inc.  
Corporate Airlines, Inc.  
Delta Connection  
Dwyer Aircraft Sales, Inc.  
Falcon Aviation, Inc.  
Great Lakes Aviation, Ltd.  
Heartland Aviation, Inc.  
Mesa Airlines, Inc.  
Mesaba Aviation, Inc.  
Metroflight, Inc.  
Midwest Express Airlines, Inc.  
Multi Aero, Inc.  
Northwest Airlink  
Redwing Airways, Inc.  
Rocky Mountain Airways, Inc.  
Thunderbird Aviation, Inc.  
Trans States Airlines, Inc.  
Westward Airways, Inc.

Louis Andrews  
Ken Bannon  
Rick Bauer  
Doug Franklin  
E.B. Freeman  
Douglas Gumula  
Ben Harrison  
A. Edward Jenner  
Bob Karns  
Colleen O'Day  
Lee Mason  
John McFarlane  
Robert Wigmore